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China's Policy Toward Vietnam: Tightening the Screws

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An Intelligence Assessment

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An Intelligence Assessment

This paper was prepared by
Office of East Asian Analysis. Comments and queries are welcome and may be directed to the Chief, China Divison, OEA,

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Summary

Information available as of 10 September 1984 was used in this report.

Over the past five years Beijing has patiently and persistently pursued a strategy designed to force a Vietnamese withdrawal from Kampuchea and to weaken the Soviet-Vietnamese alliance. To keep Vietnam from consolidating its position, Beijing has exerted direct military pressure to tie down Vietnam's best troops along the Sino-Vietnamese border and backed the Khmer resistance. At the same time, Beijing has sought to isolate Hanoi diplomatically and to deny the legitimacy of the Vietnamese-backed government in Kampuchea. China has looked mainly to ASEAN to take the lead in this effort, hoping in doing so to forge close ties with Thailand and eventually to overcome other ASEAN states' fears of Chinese intentions toward the region.

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In the short run, the Chinese acknowledge that pressure and isolation will increase Hanoi's dependence on the Soviet Union and, in all likelihood, draw the Soviet Union even deeper into Indochina. But Chinese officials also argue that the growing Vietnamese dependency will eventually and inevitably lead to serious strains in the Soviet-Vietnamese relationship.[1] We have seen no concrete signs of the tension Beijing predicts—only signs of growing cooperation between Hanoi and Moscow. But Beijing, in our view, remains committed to a long-term policy that purposely increases Vietnam's dependence on the Soviet Union as the best way of eventually producing a rupture of that relationship and a reorientation of Vietnam's policy.

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We believe events over the past year have reinforced Beijing's determination to pursue this policy. In fact, modest gains by the Khmer insurgents as well as increased Soviet and Vietnamese cooperation are prompting Beijing to pursue it somewhat more aggressively.

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The Chinese realize that sustaining this long-term strategy will require the continued cooperation of the ASEAN states—some of which still regard China as more of a long-term threat to their security than Vietnam. ASEAN's strong opposition to Pol Pot regaining power complicates China's efforts to ensure this cooperation. To assuage ASEAN, the Chinese balance their strong support for Pol Pot's forces with a mix of political and military backing for the Sihanouk-led Coalition Government of

[1] China rejects the argument that Vietnam could be weaned from the Soviets if the West provided alternative sources of aid. Beijing contends that the relief of the Soviet burden would actually serve the joint interests of Hanoi and Moscow without necessarily bringing about a change in Vietnamese policies.

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Democratic Kampuchea (DK). A dramatically stronger showing by DK insurgents ironically could prove troublesome for China, if it leads to an erosion in ASEAN solidarity that Hanoi could exploit.

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Chinese policy could shift if Moscow decides to adopt a more accommodating position on Vietnam, if Thai support for the Khmer resistance collapses, or if there is a dramatic leadership change in Beijing or Hanoi. None of these scenarios, however, seems likely soon.

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The record to date also suggests that the Chinese will need to keep increasing the pressure on Vietnam over the next several years in order to achieve their goals. If a process of escalation does develop, appeals from ASEAN states and China for more direct US involvement are likely to grow.

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Military Pressure

On the Border. Every year since 1980 the Chinese have begun limited military action along the Sino-Vietnamese border to coincide with Vietnam's dry-season operations in Kampuchea (November-May). For the 1983-84 dry season, however, China began shelling Vietnamese positions well before the start of Hanoi's campaign in Kampuchea and responded promptly to Vietnamese incursions into Thai territory in late March 1984. Then, in late April and May, the Chinese increased their ground and air forces opposite Vietnam to their highest level since the 1979 invasion and seized several strategically located hilltops just inside Vietnamese territory. Chinese naval forces also held an unprecedented exercise in the South China Sea in early May.

The shelling in February and March probably was intended to reassure the Thai, who had complained about the belated Chinese response to Vietnamese military pressure along the Thai border last year. But the unusually large ground and naval deployments in April and early May appear to have been prompted by a joint Soviet-Vietnamese amphibious operation in mid-April—which coincided with a major Vietnamese push against Kampuchean resistance camps on the Thai-Kampuchean border.

A senior Chinese naval officer told the US defense attache in Beijing that China recognized the message the USSR was sending and would not give in to such intimidation. We believe Beijing wanted to demonstrate that its threat of a second lesson was still very much alive, in spite of the substantial improvements in Vietnamese forces opposite China and growing Soviet-Vietnamese military cooperation.

This year's fighting along the Sino-Vietnamese border seems likely to persist for some time, in contrast to the seasonal cycles of hostility in previous years. Vietnamese leaders are determined to retake the hilltops China seized in April, and the Chinese are just as determined to hang on.

Support for the Kampuchean Resistance. The increased Chinese pressure on the border may have been influenced in part by the change in Hanoi's tactics against the insurgents in Kampuchea. The insurgents were notably more successful last year and early this year in expanding their operations. The Communist Democratic Kampuchea (DK) resistance in particular has boosted its capabilities and activity, allowing it to move additional guerrillas into the interior provinces and to step up attacks. As a result, during this wet season (May to November) the Vietnamese have kept pressure on the resistance's major bases along the Thai-Kampuchean border instead of withdrawing to the interior as they usually do. This has prevented the resistance from regaining its customary rainy season tactical advantage.

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The DK's improved performance is largely due to generous Chinese support. Since 1979, China has provided the DK with an estimated $100 million worth of arms, ammunition, food, and medicine.

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The Chinese clearly regard the Communists as the most militarily effective resistance element and are doing their best to bolster Pol Pot's military capability. More important, the Chinese for over a decade have considered, and in our view continue to consider, the Khmer Communists as a primary vehicle for blunting Vietnamese influence and extending the Chinese role in Kampuchea.

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The unwillingness of the ASEAN states to see the DK and Pol Pot regain power in Kampuchea and their effort to build up the non-Communist coalition elements to a point where the Communists are eclipsed represent at least a potential dilemma for Beijing. But whether Beijing will ever be forced to abandon Pol Pot in favor of a non-Communist alternative remains—fortunately for the Chinese—an academic question. For the time being, the disparity between Communist and non-Communist coalition capabilities provides plenty of latitude for the Chinese to finesse the contradictory elements of their policy and, in effect, to work both sides of the street.

In addition to maintaining its strong material and political backing for the Khmer Communists, Beijing has been able to assuage the concerns of its Thai allies and the other ASEAN countries by providing material aid to the non-Communist groups as well.[3] China has provided the majority of the arms and ammunition now in the hands of the non-Communists.

Beijing also has sought to allay ASEAN fears by giving its full diplomatic backing to the Sihanouk-led coalition government.

In a move clearly intended to please ASEAN, China also for the first time endorsed ASEAN's joint proposal for a government of national reconciliation in Kampuchea—after Vietnam withdraws—which would include the Heng Samrin faction.

Isolating Vietnam

Beijing realizes, of course, that it needs ASEAN support to keep Hanoi and the Heng Samrin regime in Phnom Penh diplomatically isolated. ASEAN has been instrumental year after year in rallying opposition at the United Nations to Vietnam's challenge to the credentials of the Coalition Government of Democratic Kampuchea. The votes have been so lopsided that Vietnam did not even try last year.

[3] The two non-Communist insurgent groups are the Khmer People's National Liberation Front (KPNLF) and the Sihanoukist National Army (ANS), under Son Sann and Prince Norodom Sihanouk, respectively.

ASEAN solidarity, therefore, remains a constant source of concern to China—especially since Indonesia and Malaysia in particular continue to distrust China and favor a compromise settlement that would accommodate at least some of Vietnam's security concerns. Not surprisingly, Chinese Foreign Ministry officials were upset last fall when ASEAN first issued its proposal for a government of national reconciliation in Kampuchea, complaining it smacked too much of a compromise. Beijing undoubtedly was also irritated and disturbed when the Indonesian Armed Forces Commander visited Hanoi in February and was quoted by the Vietnamese media as saying China—not Vietnam—posed a military threat to the region.

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Beijing has made it very clear that it opposes any compromise that does not conform with the provisions of the resolutions adopted by the United Nations and the International Conference on Kampuchea (ICK) in 1981:

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- Complete withdrawal of Vietnamese forces from Kampuchea.

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- Free elections under international supervision.

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To underscore its position, Beijing has rebuffed Hanoi's calls for Sino-Vietnamese talks until Hanoi accepts these conditions and has also opposed third-party mediation efforts that might legitimize Vietnam's hold on Kampuchea by compromising the UN/ICK formulas. Chinese Premier Zhao Ziyang, for example, headed off French and Australian compromise proposals in 1982 and 1983 by warning both countries about the negative effects their proposals would have on relations with China.

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To counter Vietnamese charges last year of intransigence, Beijing did publicize a "new" five-point proposal for the solution of the Kampuchean issue. But that proposal deviated from China's standard formula only in stating that Beijing would resume the Sino-Vietnamese dialogue after Vietnam began a phased withdrawal from Kampuchea. Beijing had previously insisted on full Vietnamese withdrawal prior to resuming the talks.

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Fortunately for the Chinese, their own rigidity has been matched by the Vietnamese. For example, Vietnamese Foreign Minister Thatch last March rejected offhand Indonesian President Soeharto's compromise proposals on the Kampuchea issue, which tried to accommodate some of Vietnam's basic security concerns. This persuaded the Indonesians—the most accommodationist of the ASEAN countries—that pressure must be maintained on Hanoi.

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Closer Cooperation With Thailand and ASEAN

The Chinese regard Thailand's cooperation as especially crucial to their overall regional strategy. Without sanctuaries in Thailand, the Khmer insurgents could not operate effectively. Nor could China easily resupply the guerrillas without Thai help. Any softening of Thailand's hard line toward Vietnam, moreover, would probably be immediately adopted by ASEAN as a whole.

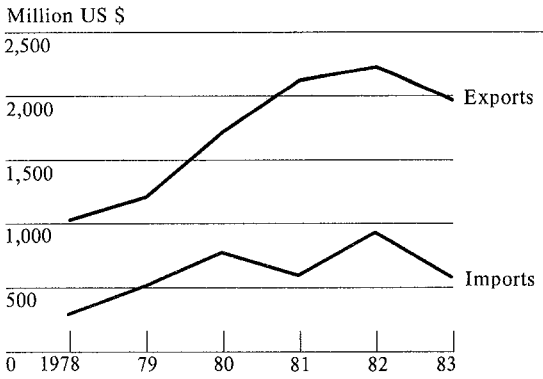
As a result, the Chinese have sought to forge particularly close ties with Thai leaders since the mid-1970s—with some success. Sino-Thai cooperation has increased as the fighting in Kampuchea has intensified. Over the past year in particular, there has been a flurry of visits by Thai and Chinese military and political leaders designed to underscore China's commitment to Thailand's security and the growing closeness of the relationship:

- Foreign Minister Wu visited Bangkok in August 1983 and again in February 1984.
- In late July 1984, Foreign Minister Siddhi and the head of Thai intelligence visited Beijing.
- In May and June, the chiefs of staff of all three Thai military branches, including Supreme Military Commander Athit, visited Beijing.

According to Thai officials, the Chinese have offered to sell Thailand heavy military equipment including aircraft, submarines, and armor. If accepted, it would mark a new phase in Sino-Thai relations. The Thai military's preference for US weapons and its unwillingness to become dependent on Beijing will limit the purchase of Chinese weapons. Nevertheless, according to Thai officials, Bangkok is considering these Chinese offers.

China probably hopes that improved relations with Thailand will serve as a bridge to the rest of ASEAN.

China: Trade With ASEAN Countries, 1978-83 [a]



[a]Includes indirect trade through Hong Kong.

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By capitalizing on a common interest in resisting the Vietnamese, the Chinese are seeking to establish a firmer basis for relations with other ASEAN nations through trade, diplomacy, and the exchange of high-level visitors. Malaysian Foreign Minister Ghazali held talks in Beijing with Chinese leaders in late May and early June. Although differences persist between Beijing and Kuala Lumpur—especially over China's refusal to sever all ties with the Communist Party of Malaysia—the fact that the visit took place at all is an indication of Malaysian interest in improving the relationship.

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On the economic side, two-way trade with Singapore topped $1 billion in the last two years. Singapore is also playing an increased role in China's search for petroleum in the South China Sea. The Philippines recently signed a new trade protocol with China aimed at increasing the markets for its nontraditional exports. Even Indonesia, which severed ties with China in 1967, has substantial unofficial trade with China—over $400 million last year—much of it through Hong Kong (see figure 1).

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Superpower Involvement

Beijing's initial attempt to use the Sino-Soviet talks in 1982 to sow distrust between Hanoi and Moscow did not produce the desired results. If anything, Soviet-Vietnamese relations appear to have grown closer, as illustrated by their joint amphibious exercise last spring. The Soviets, in fact, have repeatedly reassured Hanoi that Moscow would not sacrifice Vietnamese interests in Kampuchea in order to improve relations with Beijing. Moscow even canceled the Arkhipov visit to China last May, in part, to avoid appearing to acquiesce to Chinese military attacks on its ally. Hanoi in turn has allowed Moscow greater access to Vietnamese military facilities in Cam Ranh Bay—a move noted with concern in the Chinese media.

Growing Soviet-Vietnamese military cooperation may have been one factor, among many, that influenced Beijing's decision last year to improve relations with the United States. Beijing has privately expressed support for the US military buildup in the region as a counterweight to the Soviet presence and probably hopes that the United States will stiffen ASEAN resolve to oppose Vietnam's continued occupation of Kampuchea. The Chinese also probably hope that improved Sino-US relations will make it easier for Beijing to portray its regional posture—both for ASEAN and for Soviet and Vietnamese consumption—as having US backing. It is no accident—in our judgment—that China timed its escalation of the fighting along the Sino-Vietnamese border last spring to coincide with President Reagan's state visit. In doing so, we believe, Beijing also hoped to remind US officials of the common security interests of the United States and China.

Continued Stalemate

The Chinese remain committed to the long haul and do not expect Vietnam's economy, political will, and morale to crack soon. Party Chairman Hu Yaobang told Thai Foreign Minister Siddhi in July that he expected the fighting to continue in Kampuchea for another seven to 10 years. The Chinese Ambassador in Bangkok also recently indicated that the Chinese do not believe the insurgents will ever be able to defeat Vietnamese forces in Kampuchea. At most, Beijing hopes to make their occupation so costly that the Vietnamese will agree to negotiate a political settlement.

This Chinese assessment of Vietnamese determination, to us, seems on the mark. The Vietnamese, for their part, believe a friendly regime in Phnom Penh is essential for their security. Vietnam recognizes that an outright victory is beyond its reach and has apparently settled on a strategy aimed at minimizing the gains of the Kampuchean resistance. Although Hanoi has been unsuccessful thus far on the diplomatic front, it has demonstrated increased tactical flexibility on political issues and may believe ASEAN will eventually accept the status quo in Kampuchea. The Soviets seem willing, in turn, to continue to foot the bill—currently about $5 million a day in military and economic aid to Vietnam—to ensure their continued access to Vietnamese military facilities.

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ASEAN also seems prepared to wait patiently for Vietnam to show greater flexibility. We believe that despite differences over tactics the other ASEAN capitals will continue to defer to Bangkok on the issue, with slight modifications, to prevent a split between ASEAN hardliners and moderates.

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Alternate Scenarios

Although we expect no fundamental change in the situation over the next year or so, events could take an unexpected turn if one or more of the key factors in the present equation change.

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ASEAN Seeks a Compromise. The weakest link in Beijing's strategy of pressure against Hanoi remains its dependence on ASEAN, and especially Thailand. Most ASEAN countries harbor deep suspicions about Chinese intentions and are concerned that prolongation of the conflict in Kampuchea will increase Chinese and Soviet opportunities to expand their influence in the region. Indonesia in particular appears more concerned about the long-term Chinese threat than the danger of Soviet-backed Vietnamese expansion.

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It is possible—but not likely soon—that Indonesia and some of the other ASEAN states could seek a compromise settlement. Such a shift would be most likely to occur if the DK were to score unexpected

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gains on the battlefield and seek to weaken its non-Communist coalition partners. Nervous at the prospect of a return of a Chinese-supported Pol Pot regime, some in ASEAN might seek to work out an agreement with Hanoi that sought to cut the DK out of a power-sharing formula.

Such a split in ASEAN ranks would seriously weaken China's diplomatic efforts to keep Vietnam isolated, but, in our view, China's strategy would not be irreparably damaged as long as Thailand continued its confrontational policies toward Vietnam. Thai policy, however, is closely associated with a few senior officials. A change in government in Bangkok could, therefore, affect the Thai stand.

If a new government opted to cut off Chinese supplies to the Kampuchean resistance and to seek a compromise with Hanoi, Beijing's options would be limited. In our view, China would find it impossible to maintain its current level of support to the resistance. With current stockpiles and whatever assistance China managed to get to the rebels, the resistance could hold on for a while. But without Thai sanctuaries the resistance would be dangerously exposed to Vietnamese attacks and its effectiveness, in our view, would gradually erode.

Leadership Changes. China's hardline approach to Vietnam is closely associated with Deng Xiaoping, who personally crafted the policy after his return to power in the late 1970s. A post-Deng leadership in Beijing might calculate that the present strategy has been counterproductive—pushing the Vietnamese closer to the Soviets without producing the frictions intended—and opt for a soft approach designed to wean Hanoi away from Moscow. Thus far, however, there is no evidence of leadership differences on this point.

We believe, moreover, that the history of ill will and the fundamental differences between Chinese and Vietnamese interests in the region will survive any leadership changes in Beijing or Hanoi. Vietnamese dominance over Indochina represents one of Hanoi's few accomplishments since reunifying the country, making it that much more difficult to give up. It is precisely Vietnam's insistence on maintaining its position in Indochina that the Chinese oppose, prompting Hanoi to rely on Moscow as a counterweight. 25X1 25X1

Given Moscow's growing strategic interest in close ties to Vietnam, we believe a change in leadership in Moscow would be even less likely to produce a more accommodating Soviet approach to China on Kampuchea. 25X1

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The Longer Term

Whether Beijing's strategy will succeed in the longer term remains an open question at this juncture. The record of events to date, however, suggests that the Chinese will need to up the ante—perhaps several times—in the coming years if the intended rift between the Soviets and Vietnamese is to materialize. And until that rift occurs, Moscow's military involvement and presence in Vietnam is likely to grow, thereby adding to the stakes involved for both sides. 25X1 25X1

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There are inherent dangers in such a process of escalation. For one thing, the increasing dimensions of the struggle will sorely test ASEAN's current resolve—probably well before any basic policy change in Hanoi or Beijing. The Thai, for example, may one day question the wisdom of supporting ever larger resistance forces, especially if they are unable to extend their bases of operation throughout Kampuchea and remain tied to enclaves along the Thai-Kampuchean border. Forces concentrated in this area would be a potential threat to Thai security and would probably draw additional Vietnamese forces to the border as well. However it came about, a reappraisal of ASEAN strategy would almost certainly entail strong appeals from the ASEAN states for more US assistance and direct involvement. In view of the larger stakes, Beijing also could be expected to urge the United States in the same direction. 25X1 25X1 25X1